Poverty, HIV/AIDS and the old age pension in Bhambayi, Kwazulu-Natal, South Africa

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Poverty, HIV/AIDS and the old age pension in Bhambayi, KwaZulu-Natal, South Africa

Tanusha Raniga & Barbara Simpson

To date the international community has tended to direct HIV prevention programmes, treatment, care and supportive services to young adults and children, with little concern about the impact on older people. Since empirical evidence on the socioeconomic impact of HIV/AIDS on households with older persons is lacking, this paper attempts to fill this gap, using data from a household-based survey conducted in Bhambayi, a mixed formal and informal settlement north of eThekwini, KwaZulu-Natal. The findings highlight the links between the uptake of the South African old age pension, poverty and HIV/AIDS in households with older persons. The paper makes recommendations for both government and non-governmental organisations in respect of community-based support systems for such households affected by HIV/AIDS.

Keywords: social security systems; older people; poverty and HIV/AIDS

1. Introduction

The issue of state pensions for older people is fundamental to the extension of social protection in South Africa. It is widely recognised that the state old age pension (OAP) serves as an important poverty alleviation strategy not just for older people but also for their households (Joubert & Bradshaw, 2004; De Koker et al., 2006). Strydom points out the importance of acknowledging that ‘migratory patterns, HIV/AIDS and extreme poverty may impede the growth in the number of the older population’ (2008:103). According to mid-year population estimates (Statistics South Africa [StatsSA], 2008), South Africa has a population of 48.7 million people. Of these, approximately 7 per cent, or 3.5 million people, are aged 60 and above. South Africa has one of the most rapidly aging populations in Africa and it is estimated that by 2025 the number of older people will have increased to 5.3 million (Joubert & Bradshaw, 2004). While the majority of the population is young (nearly one-third are younger than age 15), the increase in the number of older people has implications for social, health and economic planning and services. A possible major contributing factor to this shift in the population profile is the impact of the HIV/AIDS pandemic and the increased mortality rates among the middle generation. This situation places a strain on the household income of the poor, and one result is that the OAP takes on the role of family capital (Badcock-Walters, 2002).

This paper explores some complex interrelated issues. It provides the policy context and discusses the major debates and developments concerning the state OAP in South Africa post-1994, and then presents empirical evidence on the role of the pension in Bhambayi households with older members. The paper concludes by offering recommendations in respect of community based support systems that both the Department of Social...
Development and non-governmental organisations (NGOs) need to consider as a priority for addressing the plight of older people affected by HIV/AIDS. (Note that the term ‘older persons’ in this paper refers to people over the age of 60.)

2. The old age pension in South Africa post-1994: Debates and developments

The situation where social pension schemes serve as extended support for households and not just older people is not new (Ardington & Lund, 1995; Lloyd-Sherlock & Barrientos, 2002; Legido-Quigley, 2003; Burns et al., 2005). Lloyd-Sherlock and Barrientos (2002) note that the issue of pensions for the poor is central to developing countries, where the process of population ageing has accelerated in the first half of this century. From the time of the new dispensation in South Africa, the Social Assistance Act (Act 59 of 2004) has provided the steps and measures to de-racialise access to state pensions (Department of Social Development [DSD], 2004). The Committee of Inquiry into a Comprehensive Social Security System for South Africa (Taylor, 2002) has recommended that the reform process should lead to equitable access and quality of service for all South Africans accessing state grants. To qualify for an OAP of R1010 per month, the applicant must have a South African identity document, be 60 or older and comply with the stipulations of the means test (Mbola, 2008).

Only three countries in sub-Saharan Africa – Namibia, Botswana and South Africa – operate large-scale non-contributory pension schemes (Legido-Quigley, 2003). Botswana and Namibia implement a universal social pension scheme, while South Africa’s scheme is means-tested. Means testing implies an audit of the medical, social and economic circumstances of the applicants’ household. The authors argue that means testing of the OAP should be abolished. The test discourages people from saving towards their retirement and increases the threat of deprivation for those older people who have little or no household income but who own property. This corroborates Olivier and Mpedi’s finding (2005) that about 40 per cent of the country’s economically active population, who are not covered by any contributory pension scheme, will in the long run rely on the state pension scheme. Consequently many older people are forced to give away their property to their children in order to qualify for the state pension. A further problem, mentioned by Ardington and Lund (1995), is that in rural communities the evaluation of material wealth in the form of access to cattle and individual or communal land tenure differs from province to province. The means test is therefore an unrealistic measurement of the welfare needs of older people residing in rural communities in the country.

Moreover, the whole process of means testing of social grants is administratively demanding, tedious for the applicants and demeaning to their dignity. Mpedi and Direment (2007) note that the resources lost through such institutional and administrative inefficiency could be directed to reaching more needy older people. The authors would argue that means testing for the OAP is one consequence of neoliberal macroeconomic policies, which tend to absolve the state from taking adequate responsibility for meeting the welfare needs of older people. The means test expects people to prove their worthiness to receive the OAP and this is contrary to the Bill of Rights as stipulated in the Constitution (Section 27, 1, c), which states that: ‘everyone has the right to have access to social security, including, if they are unable to support themselves and their dependants, appropriate social assistance’ (Republic of South Africa [RSA], 1996:13), and in fact the solution proposed by the Committee of Inquiry was ‘to...
abolish the means-test, recovering costs from the income tax system, and raising revenue from the payment of annuities and the greater taxation of lump sums’ (Legido-Quigley, 2003).

Mpedi and Darimont (2007) explore kinship-based and organisation-based strategies as informal support systems that play a vital role in minimising social risks to older people. Comparing the social security systems of China and South Africa, they note that kinship support entails a symbiotic relationship that includes financial and personal support for older people and their family. However, they also note that such informal support systems risk being unsustainable, since they depend on the good will of the older person’s family and are subject to the challenges of the modern world, such as urbanisation, migration and the effects of neoliberal global economic policies.

Another contentious debate concerns the Basic Income Grant (BIG). The Committee of Inquiry was commissioned to examine the feasibility of such a grant, amounting to R100 per month for all South Africans. The Committee revealed that this would serve to reduce extreme poverty and close the poverty gap by 74 per cent (Taylor, 2002), and by 95 per cent for households affected by HIV/AIDS and where the middle generation is missing (Legido-Quigley, 2003). Legido-Quigley observes that, according to the South African Regional Poverty Network, which analysed the impact of the BIG on South African households, not only would this grant:

- help to reduce the poverty gap, but it would also have a broader economic impact in stimulating demand and employment; it would make it possible for poor households to undertake investments in small businesses; it could promote reconciliation and social inclusion and could assist in combating the HIV/AIDS pandemic. (2003:6)

However, the ANC government rejected this proposal, saying it would foster a culture of dependency and entitlement that might not be financially sustainable in the future (Desai, 2007). Advocacy groups such as the South African Regional Poverty Network call for the implementation of the BIG (Legido-Quigley, 2003).

Dr Ashwin Desai has criticised The Taylor Committee for being symptomatic of the ‘neoliberal trajectory of the Mbeki government’ and that the BIG serves as yet another strategy to absolve the state from its responsibility for eradicating poverty by once again shifting the ‘onus for poverty onto the individual’ (Desai, 2007:276). Four theorists who embrace radical post-structuralist discourses observe that the international debate concerns more than just the role of social security systems in ensuring some congruence between meeting the basic needs of the vulnerable and poor and a more equitable income distribution in society; it concerns the hegemonic power relations evident in contemporary society. They make the point that unless changes are made to the structural forces of oppression any social justice strategy will be limited (Dominelli, 2004; Bond, 2005; Sewpaul, 2005; Desai, 2007).

3. Research methodology

3.1 The geographical context

Bhambayi is a predominantly informal settlement in Inanda, one of the poorest urban regions in KwaZulu-Natal. It has 920 formal houses – the outcome of a collaborative development effort between the eThekwini Municipality and the Bhambayi Reconstruction and Development Committee (BRDC) in the early 2000s. Rapid in-migration of
people from other provinces and neighbouring African countries has increased the number of houses in the informal section, bringing the estimated number of dwellings to about 1800. High unemployment, overcrowding, lack of sanitation facilities and HIV/AIDS are the major development challenges facing the community (Simpson, 2001). The area has just one primary and one secondary school, both of which are under-resourced and poorly equipped. The area has no recreational facilities for the youth. There is no clinic in the area even though the Provincial Department of Health operates a drop-in centre where a limited number of poor families affected by HIV/AIDS receive material support in the form of daily meals and grocery hampers.

3.2 The research process

The University of KwaZulu-Natal’s Community Outreach and Research Unit (UKZN: CORE), an NGO located in the School of Social Work and Community Development, has over the past 12 years facilitated a student training unit in Bhambayi, where third-year and fourth-year social work students provide casework, group work and community work services to residents. Over the years, it has become evident that many families bear the brunt of severe poverty and HIV/AIDS. The impact of inadequate resources and social services, limited access to basic nutrition and lack of economic opportunities combine to create a disabling environment for the majority of families who are poor and infected by the pandemic. To address these concerns, the community’s local civic structure, the BRDC, approached the University to conduct a study to investigate the effects of poverty and HIV/AIDS on households.

A multiphase triangulated research design was used to enhance the process of empirical research through a combination of quantitative and qualitative approaches. In phase one, using survey methodology, the study aimed to gain an overview of the problems experienced by households in Bhambayi. The specific objectives of this phase were to determine:

- the extent of poverty and its impact on health, schooling and well-being in Bhambayi,
- the nature and number of social services people receive from government departments, NGOs and churches, and
- the extent to which people depend on informal helping networks to assist them.

Phases two and three explored qualitatively people’s experiences of poverty and the views of service providers. This paper reports on a subset of data, obtained through the quantitative household based survey in phase one, on households with older people.

In this phase, systematic random sampling was used to allow each element in the population a chance of selection (Morris, 2006). The total number of households in Bhambayi is 2720, of which 920 are in the formal section and 1800 in the informal section. Twenty per cent of the formal households (184) were included in the sample. Because of the difficulties of covering the vast geographic area comprising the informal section, time constraints, lack of budget and limited human resources, we were only able to sample 10 per cent of the households (180) in the informal section. We acknowledge the limitation that the sample is skewed. A total of 349 households were interviewed, 169 from the formal section and 180 from the informal section, giving a response rate of 96 per cent.

A team of data collectors comprising six social work students, three community members and three academics were responsible for conducting face-to-face interviews with
household heads. Interviews were conducted in isiZulu, the language predominantly spoken in the area. The construction of the structured questionnaire was preceded by several preparatory meetings and training workshops with the data collectors. Following the steps in questionnaire construction set out by Terre Blanche et al. (2006), the structured interview schedule comprised mainly closed-ended questions which were pre-coded. Pre-testing of the structured interview schedule was conducted in 18 households to ensure the reliability and validity of the data. Data were analysed using the statistical package of SPSS, version 15.0.

For this paper a subset of data relating to households of older people 60 and above was generated using SPSS 15.0. In analysing this subset of data the objectives were:

- to determine the socioeconomic characteristics of older people in Bhambayi,
- to examine the impact of HIV/AIDS on households with older people, and
- to determine what forms of support older people receive.

4. Results and discussion

4.1 Demographic profile of Bhambayi

Figure 1 shows that Bhambayi is a fairly young population, with the majority being between 20 and 34 years of age and approximately one-third being under 14. This matches the national statistics where 32 per cent of the population is estimated to be under the age of 15 (StatsSA, 2008). Although the total sample was skewed in favour of the formal section, this was not so in this data subset. Twenty-three older persons (48 per cent) lived in the formal section while 25 (52 per cent) lived in the informal section. However, only 48 (3.6 per cent) of the total sample were older persons aged 60 and above, which was considerably lower than the national norm of 7.3 per cent. There were 37 (77 per cent) females and 11 (23 per cent) males in the sample. These older persons were in 43 (12.2 per cent) of the total 351 households. Thirty-eight of the households had one older person and five households had two.

4.2 Socioeconomic characteristics of older persons in Bhambayi

Table 1 shows the socioeconomic and demographic characteristics of the older people according to receipt of the OAP. Half of them (24) were receiving the OAP. Of these,
18 (75 per cent) were women and 6 (25 per cent) were men. This reflects the national norms where women make up 74 per cent and men 26 per cent of the beneficiaries and KwaZulu-Natal norms where women constitute 72.3 per cent and men 27.7 per cent of those receiving an OAP (De Koker et al., 2006).

It was of concern to note that 19 (about 40 per cent) females and five (about 10 per cent) of the males who were over 60 were not receiving the OAP. While some of the men may have been too young to qualify, all the women were eligible in terms of age. Some, however, may have been foreign nationals, and some South African citizens may not have had the necessary identity documents. Of the 24 who were receiving the OAP, 15 (less than one-third) lived in the formal section and nine (about one-fifth) lived in the informal section. The number of older people in the informal section not receiving the OAP was double the number of people not receiving it in the formal section, 16 (about 33 per cent) and eight (about 17 per cent) respectively. The results also show that 28 (about 60 per cent) of older persons lived in a household with at least one person employed. Of those older persons who were receiving the OAP, 15 (less than one-third) lived in the formal section and nine (about one-fifth) lived in the informal section. The number of older people in the informal section not receiving the OAP was double the number of people not receiving it in the formal section, 16 (about 33 per cent) and eight (about 17 per cent) respectively. The results also show that 28 (about 60 per cent) of older persons lived in a household with at least one person employed. Of those older persons who were receiving the OAP, 15 (about 40 per cent) lived with at least one employed person, compared to 13 (less than 30 per cent) of those who were not receiving the OAP. More than half (13 of 24) of those who were receiving the OAP lived in a household where another form of state grant was received, compared to nine (about 40 per cent) of those who were not receiving the OAP, but lived in a household which received another form of state grant.

The study also revealed that more than half of the older people had not had adequate food in the month preceding the study. Half of those who received the OAP had skipped a daily meal in the 30 days preceding the study, implying that the amount received from state support was grossly inadequate to meet the rising costs of food. This confirms the assertion made by the Business News for the Food Industry (2008) that the increases in food prices, due in part to the increase in global oil prices and high interest rates, have made life harder for the poor. The findings also revealed that about 60 per cent of those who did not receive the OAP were also hungry. This indicates that such households were in a state of absolute poverty and fell within the United Nations finding that almost 11 per cent of South Africa’s population lives on less than $1 a day and one-third on less than $2 a day (National Consumer Forum [NCF], 2008).

Table 1: Characteristics of the older people in Bhambayi (n = 48)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Non-recipients of OAP</th>
<th>Recipients of OAP</th>
<th>Unknown</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female 19 (39)</td>
<td>18 (35)</td>
<td>–</td>
<td>37 (77)</td>
</tr>
<tr>
<td></td>
<td>Male 5 (10)</td>
<td>6 (13)</td>
<td>–</td>
<td>11 (23)</td>
</tr>
<tr>
<td>Residence</td>
<td>Formal 8 (17)</td>
<td>15 (31)</td>
<td>–</td>
<td>23 (48)</td>
</tr>
<tr>
<td></td>
<td>Informal 16 (33)</td>
<td>9 (19)</td>
<td>–</td>
<td>25 (52)</td>
</tr>
<tr>
<td>Any other employed person in</td>
<td>Yes 13 (27)</td>
<td>15 (37)</td>
<td>–</td>
<td>28 (58)</td>
</tr>
<tr>
<td>household</td>
<td>No 11 (23)</td>
<td>9 (19)</td>
<td>–</td>
<td>20 (42)</td>
</tr>
<tr>
<td>Relatives receiving state</td>
<td>Yes 9 (19)</td>
<td>13 (28)</td>
<td>–</td>
<td>22 (46)</td>
</tr>
<tr>
<td>support</td>
<td>No 15 (31)</td>
<td>11 (23)</td>
<td>–</td>
<td>26 (54)</td>
</tr>
<tr>
<td>Skipped/cut food in past 30</td>
<td>Yes 13 (28)</td>
<td>12 (26)</td>
<td>1 (2)</td>
<td>25 (53)</td>
</tr>
<tr>
<td>days</td>
<td>No 10 (21)</td>
<td>12 (26)</td>
<td></td>
<td>22(47)</td>
</tr>
</tbody>
</table>

Note: Data presented as number (percentage).
4.3 HIV/AIDS and its impact on households with older members

This section examines the impact of HIV/AIDS on households with older people, as shown in Figure 2. A total of nine households (about 20 per cent) were affected by HIV/AIDS and these were all households in which there were single older persons. Three of these households were chronically poor as they did not receive the OAP and had no other source of income. Four of the older people who did not receive the OAP were in households where there was another source of income, while 17 of the older people who did receive the OAP were in households that had other sources of income.

Even though 34 (about 80 per cent) of the older people were in households currently not affected by HIV/AIDS, five (about 10 per cent) of them did not receive the OAP and were in households without any source of income, seven (about 15 per cent) were in households relying on the OAP as the only source of income, 14 (about 30 per cent) did not receive the OAP but were in households with some source of income, and 13 (less than 30 per cent) did receive the OAP and were in households with some other source of income.

The results indicated that eight (just under 20 per cent) of the older people were chronically poor and in dire need of help, as they were in households without any source of income and they were not receiving the OAP. This finding underscores the fact that these eight households are in absolute poverty and urgently in need of financial support from the state. Seven (just under 20 per cent) of the older people were in households where the OAP was the only source of income, which supports the argument by Ardington and Lund (1995), Badcock-Walters (2002) and Lloyd-Sherlock and Barrientos (2002) that the OAP serves as extended family capital. However, the inference is that this happens at the expense of the needs of the older person in the household.

While there were 14 older people without an OAP (about 30 per cent), they were in households with some other source of income (either a person working or in receipt of

Figure 2: Burden of HIV/AIDS among the older people in Bhambayi (n = 48)
another state grant). Those households that may be considered economically somewhat better off, since they had access to some source of income as well as the OAP, comprised about 35 per cent of the sample. These findings reveal that in a mixed formal and informal settlement such as Bhambayi there is relative poverty; in other words, the poor who have access to at least some economic resources are more ‘affluent’ than those in absolute poverty who do not (De Beer & Swanepoel, 2002).

4.4 Caregiving and HIV/AIDS among the elderly

Figure 3 shows that 16 of the 48 older people (about one-third) were caring for children under the age of 18. Nine of these caregivers were not receiving the OAP or any other social grant, and six were in households where no one was economically active.

Three of them were in households that relied on the OAP as the only source of household income, while four were in households receiving another social grant as well as the OAP. Six of the caregivers who did not receive the OAP were in households that had an economically active family member or were receiving another social grant, or both. Only two of the 16 caregivers were male, which suggests that grandmothers bear the brunt of caregiving in this community. This finding corroborates the findings of the KwaZulu-Natal Income Dynamics Study (May et al., 1999), which revealed that African females in informal settlements bear the brunt of poverty in South Africa and that it has a strong race and gender bias. The high mortality rates among the middle generation mean that high proportions of young orphaned children are cared for by their grandmothers (UNAIDS, 2008).

4.5 Sources of additional support for households with older members

While the majority of older people in the sample were in need of help, Figure 4 shows that only 20 (about 40 per cent) were receiving some form of additional support. The potential sources of help in the community were the DSD, faith-based organisations, neighbours,
and the Bhambayi drop-in centre. All 20 reported receiving help from neighbours, while three also received help from the drop-in centre and one from a church. Help from the drop-in centre was mainly in the form of two meals per day. No-one reported receiving help from the DSD, nor from relatives or family. As Table 1 shows, about 50 per cent of all the older people in Bhambayi had either skipped a daily meal or reduced the quantity of the meal in the past 30 days because of shortage of food or money to buy food. Hunger is clearly a severe problem for the majority of the older people in Bhambayi.

Neighbours were an important source of help. The findings showed that those who received this kind of help were the following: all households with the OAP and no other source of income and affected by HIV/AIDS; all households without the OAP but with other sources of income and affected by HIV/AIDS; about one-quarter of the households who were receiving other state support and who also received the OAP but were affected by HIV/AIDS; and three-quarters of the households that were not receiving the OAP and had no other source of income and were not affected by HIV/AIDS. It was also clear that older persons in households not affected by HIV/AIDS and without any source of income other than the OAP did not receive help from neighbours. The presence of HIV/AIDS in a household seemed to be a determining factor for the older people who received help.

5. Discussion of findings

The right to social security is enshrined in the Constitution (RSA, 1996). However, the findings of this study revealed that more than half the older people who were eligible for the state OAP in a representative sample of 48 elderly people in Bhambayi were not receiving it. Furthermore, the findings show that not only was poverty high among the households with elderly members, their situation was exacerbated by problems of family members with HIV/AIDS, and caregiving for grandchildren (De Koker et al., 2006; Raniga & Simpson, 2010).

The South African Policy for Older Persons (DSD, 2003) provides the DSD with the mandate to empower, protect and manage social services and facilities for older people. It is imperative that social workers from both government and non-governmental sectors provide multilevel intervention services such as health care, supportive counselling, referrals for OAP applications, HIV/AIDS care and counselling, family support,
and home-based care for older people affected by HIV/AIDS. Additional research is required to explore the provision of cash grants for households that have elderly members and are affected by HIV/AIDS. In view of the rising cost of living and the fact that caring for chronically ill individuals strains the household’s economic resources, the Minister of Finance needs to review the dismal amount of R940 (at the time of the study) that older people receive. The psycho-social and emotional burden on older people, especially grandmothers, is cause for concern and is an area that requires further qualitative research. Policy-makers must consider strategies for a more comprehensive social security system to assist older people who are affected by HIV/AIDS. The state needs to reconsider the proposal for the introduction of the Basic Income Grant as a safety net to help households with older people affected by HIV/AIDS to cope economically.

6. Conclusion

This study revealed that older people in Bhambayi, a mixed formal and informal settlement, face many challenges of poverty, compounded by caregiving and HIV/AIDS. While the OAP may supplement household income and enhance coping with poverty, much still needs to be done. This paper has drawn attention to the problem and made some recommendations regarding practice and policy.

Zelenev (2005:19) writing in the Russian context, argues that in its transition to a market-oriented economic system the state’s response to social needs has been inadequate and ad hoc. It appears to the authors that South Africa’s response has been similar. The country requires a comprehensive and well-thought-out social security system with a renewed commitment to creating employment with living wages and health and social benefits and services for older person households affected by poverty and HIV/AIDS.

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